

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3741 - HB 3810

March 2, 2012

SUMMARY OF BILL: Creates the K-12 Teacher Compensation Commission. Requires the Commission to study teacher compensation and issues surrounding teacher compensation. Requires the Commission to specifically study the salary and benefit levels for public school teachers in K-12; compensation levels in other states; compensation in other industrialized nations; compensation of other professionals with comparable training; entry level pay for professionals in Tennessee and surrounding states; cost-of-living factors in different areas of Tennessee; compensation that will be sufficient to permit teachers to pursue a teaching career without working a second job; the teacher turnover rate, specifically with highly effective and less experienced teachers, the reasons for their leaving, and the viability of retention or tenure bonuses; and other relevant factors or issues at the Commission's discretion.

The Commission shall be composed of 28 members as follows: the Commissioner of Education or their designee; the Commissioner of Economic and Community Development or their designee; a representative of the Tennessee Business Roundtable; the Chief Executive Officer of Nissan North America or their designee; the Chief Executive Officer of Federal Express or their designee; the Chief Executive Officer of Volkswagen Group of America or their designee; the Laboratory Director of the Oak Ridge National Laboratory or their designee; the Chief Executive Officer of Hospital Corporation of America or their designee; the Chief Executive Officer of the Tennessee Valley Authority or their designee; The President of the University of Tennessee or their designee; the Chancellor of the Tennessee Board of Regents or their designee; the President of the University of Memphis or their designee; the President of Middle Tennessee State University or their designee; the Chancellor of the University of Tennessee-Knoxville; the Chancellor of Vanderbilt University or their designee; the Chair of the State Board of Education; the Chair of the Tennessee Board of Regents; the Chair of the Tennessee Higher Education Commission; the President of the Tennessee Education Association or their designee; the President of the Professional Educators of Tennessee or their designee; the Tennessee President of the American Federation of Teachers or their designee; and a representative from the Chambers of Commerce from each of the following cities: Chattanooga, Jackson area, Knoxville, Memphis, Nashville, and the Tri-Cities regional. The Governor is requested to seek commitments from the Honorable Phil Bredesen and the Honorable Bill Frist to serve as co-chairs of the Commission.

Requires the Comptroller of the Treasury Office of Research and Education Accountability (OREA) to serve as staff to the Commission, provide research assistance, and prepare the final report issued by the Commission. Requires the Commission's final report to include any fiscal data generated by the entity in determining and setting of the pay scale. Requires all state agencies to provide assistance as necessary.

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The Commission shall be convened no later than August 1, 2012, and make a report to the 108th General Assembly no later than March 1, 2013, at which time it shall cease to exist.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Meetings will be held in Nashville.
- Private agencies will compensate their employees for any required travel and other costs. No increase in state expenditures for travel or per diem for those members.
- Commissioners or their designees will not receive per diem or travel.
- According to the Comptroller, the staff of OREA will assume these work responsibilities with existing staff of the agency without an increase in personnel or a reduction in other budget items.
- Meeting materials will be prepared by OREA within the existing resources of the agency.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise'.

Lucian D. Geise, Executive Director

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